



**CALIFORNIA
HIGH-SPEED RAIL
AUTHORITY**

BRIEFING: APRIL 2010 MEETING AGENDA ITEM #8

TO: Chairman Pringle and Authority Board Members

FROM: Jeffrey M. Barker, Deputy Director

DATE: 3/31/10

RE: Business Plan Addendum

Introduction

Authority staff submitted to the Legislature an updated business plan document on Dec. 14, 2009. Since that time, the plan has undergone much scrutiny, including three Legislative committee hearings, and has brought about a number of questions from the public. Additionally, several events have occurred over the two months since its submission that warrant updating.

At your March Board and Committee meetings, the Board authorized staff to produce an addendum to the Dec. 14 2009 document for Board review and submission to the Legislature ahead of legislative budget subcommittee discussions about the Authority's 2010-11 budget.

Area of Further Discussion

A number of aspects of the 2009 report were expanded upon in response to questions from the state Legislative Analyst's Office (LAO) and legislators. Additionally, new information and events over the past three months (such as the search for a chief executive officer and the award of \$2.25 billion in federal stimulus funding) was added into the addendum.

The major areas of further discussion contained in the addendum are:

- Project timeline (responsive to LAO)

- Ridership forecasts and peer review (responsive to Senate Transportation & Housing Committee and Budget Subcommittee #2 on Resources, Environmental Protection, Energy and Transportation)
- Specific regional ridership projections (responsive to Senate Transportation & Housing Committee)
- Operations Insurance (responsive to LAO)
- Revenue Guarantee (responsive to LAO and Senate Budget Subcommittee #2 on Resources, Environmental Protection, Energy and Transportation)
- Funding risks and mitigation (responsive to LAO)
- Ridership, revenue, and operating risks and mitigation (responsive to LAO)

Staff Recommendation

Approve the attached addendum document and direct staff to submit to relevant legislative committees prior to budget discussions.

Attachments:

- ✓ Draft “ADDENDUM to the California High-Speed Rail Authority’s ‘Report to the Legislature; December 2009’”